EXECUTIVE STEERING COMMITTEE

DEPARTMENT OF FINANCIAL SERVICES

JANUARY 29, 2025

ADMINISTRATIVE

TOMMY WERNER

Administrative
Budget

FY 2024-2025 Spend Plan Summary as of December 31, 2024				
Category	**Projected FYTD**	**Incurred FYTD**	**Released FYTD**	**Release Remaining**
FLAIR System Replacement	**$16,131,707**	**$11,965,880**	**$17,337,427**	**$5,371,547**
SSI Implementation Services	$8,900,000	$5,450,000		
Facilities and Maintenance	$207,846	$207,846		
Production Support	$4,839,126	$4,843,256		
Additional Facilities	$64,537	$64,537		
Production Support Administration	$14,300	$14,300		
Oracle Software and Maintenance	$488,491	$55,330		
Project Administration	$93,029	$56,877		
ERP and OC Support Services	$1,068,292	$836,348		
QA Support Services	$456,086	$437,386		
IT Service Management	$206,385	$205,369	$1,304,572	$1,099,203
Contingency	$0	$0	$0	$0
Salaries & Benefits	$4,714,724	$4,613,054	$10,146,991	$5,533,937
HR Transfer and Risk Management Insurance	$25,957	$19,957	$37,957	$18,000
Total:	**$21,078,773**	**$16,804,260**	**$28,826,947**	**$12,022,687**

Administrative
Risks and Issues

▸ New Issue - Inability to Achieve Stage Gate 3 on the Current Timeline

- Triggered from Risks 8 & 9
- Contributing Factors:
  - Scope increase
  - Delays in Build segments
  - Increased overlap of critical activities
- Action Plan Steps:
  - Negotiate and Execute Amendment
  - Update the Project Schedule
  - Communicate Changes to Stakeholders

Administrative
Risks and Issues

▸ No new Risks have been identified

▸ No Risks have been closed

▸ Updates to existing Risks:
  ◦ Risk **1** – Negative impacts due to Insufficient Staffing
    • Minor updates to Title and Mitigation
  ◦ Risk **2** – External stakeholders and agencies expectation alignment
    • Updated status to "Mitigating" and updated mitigation steps
  ◦ Risks **4**, **8**, and **9:**
    • Increased Probability to 3, thereby increasing the Risk Score to 9
    • Updated Background to provide additional context for the risk

INDEPENDENT VERIFICATION AND VALIDATION (IV&V)

CONTENT PROVIDED BY PUBLIC CONSULTING GROUP

IV&V Update
Amendment 12 Review Summary

- Key IV&V Review Notes:
  - Provides margin to mitigate future Development and Testing delays.
  - Increases time for Interface Testing and UAT.
  - Eliminates the overlap between System Testing and UAT.
  - Includes additional scope for Conversion data, Conversion Dry Runs, and Parallel Testing.
  - Increases Deliverables costs by $5M and reduces Production Support Costs by about $2M (excluding previously approved Amendments and PCRs).
  - Still overlaps several tasks that will require Agency support (Agency Business System Interface Testing, UAT, and End User Training).

IV&V Update
Amendment 12 Conversion Dry Runs

▸ Change associated with full Extract Transfer Load (ETL) cycle for Conversion Dry Runs should be treated as an update to clarify expectations and not an increase in scope.

- Based on industry best practices for Conversion.
- Florida PALM Project Team should not incur additional costs.

▸ Proposed cost increases for the Dry Runs significantly higher than the scope being added.

IV&V Update
Amendment 12 IV&V Observations

▸ Key IV&V Observations:
  ◦ Schedule changes outlined in Amendment 12 primarily driven by delays in Development caused by the SSI Vendor.
  ◦ Deliverables-Based/Not-to-Exceed Contract obligates SSI Vendor to provide additional resources to complete work at their expense.

▸ Florida PALM IV&V recommends approval of Amendment 12.
  ◦ Florida PALM IV&V Team concurs with schedule changes in Amendment 12.
  ◦ Florida PALM IV&V does not concur with cost changes that reflect extended timelines caused by delays in Development and increased costs for changes to Conversion Dry Runs.
  ◦ Florida PALM IV&V Team concurs with scope changes included in Amendment 12, except for scope change associated with Conversion Dry Runs.
  ◦ Florida PALM IV&V acknowledges that prolonged or additional cost negotiations could hinder Florida PALM Project's progress.

IV&V Summary
Project Risk Rating Trend

▶ Overall Project Risk Rating:
- Remained a High Risk in December.
- Contributing factors include:
  - New Finding 18 that System Testing may extend beyond April 2025.
  - The escalation of Finding 14 (Delays to Development), Finding 16 (Mock Conversion Delays), and Finding 17 (Overlapping Timelines for Training, UAT, and Year-End Closing (YEC) Activities for Agencies).
  - High Risk Rating for the Development Focus Area and Worsening Risk Rating for Data, Conversion, and Interfaces Focus Area.
- Updates to the Development, Conversion, System Testing, and UAT timelines in Amendment 12 will likely have a positive impact on the overall Project Risk Rating if approved.

IMPLEMENTATION ACTIVITIES

STACEY TERRY

Implementation Activities
Key Activities

▸ Build Segment III has two (2) work units remaining to be complete

▸ Build Segment IV draft submissions are in progress

▸ DW/BI Build Segment II drafts are complete; targeting to submit the deliverable on schedule

▸ Completed Mock 0B conversion and working to finalize Mock 1B conversion

▸ System Test Segment II execution is trending on schedule

▸ Onboarded Interface Test Lead; planning activities have commenced

CONTRACT AMENDMENT REVIEW

JIMMY COX, STEVEN FIELDER

Amendment 12
Key Updates

▸ Moves implementation date from January 2026 to July 2026

▸ Updates conversion requirements based on change from Calendar Year to Fiscal Year cutover

  ◦ Simplifies balance conversions for financials

  ◦ Adds new conversions for payroll

  ◦ Adds a new 1099 reportable balance conversion for financials

▸ Provides additional time for all parties (Project, Agencies, Enterprise Partners, Third-Parties) to complete Build, Test and change management activities

▸ Extends Build for Financials, Payroll and Data Warehouse through May 2025

▸ Extends System Testing through June 2025

▸ Starts UAT in August 2025 –

  ◦ UAT starts approximately 11 months prior to go-live

  ◦ Extends official UAT period from seven to nine months

  ◦ Keeps two additional months of UAT environment availability

▸ Starts Interface Testing in June 2025 –

  ◦ Provides additional time for interface testing

  ◦ Keeps focus on Enterprise Partners first, agency business systems will follow starting in August

Why is Amendment 12 Needed?
Implementation Month Consideration

Why July?

▸ Pros

◦ Clean Fiscal Year Cutover for Financials

◦ Allows close-out to occur in FLAIR, fresh start in Florida PALM

◦ Allows Annual Comprehensive Financial Report (ACFR) to be compiled on one set of chart of accounts (instead of two)

◦ Cutover will start during normal end-of-year system downtime

▸ Cons

◦ Extremely busy time of the year for accounting staff (agency and enterprise)

◦ New fiscal year activities will be delayed until Florida PALM is up
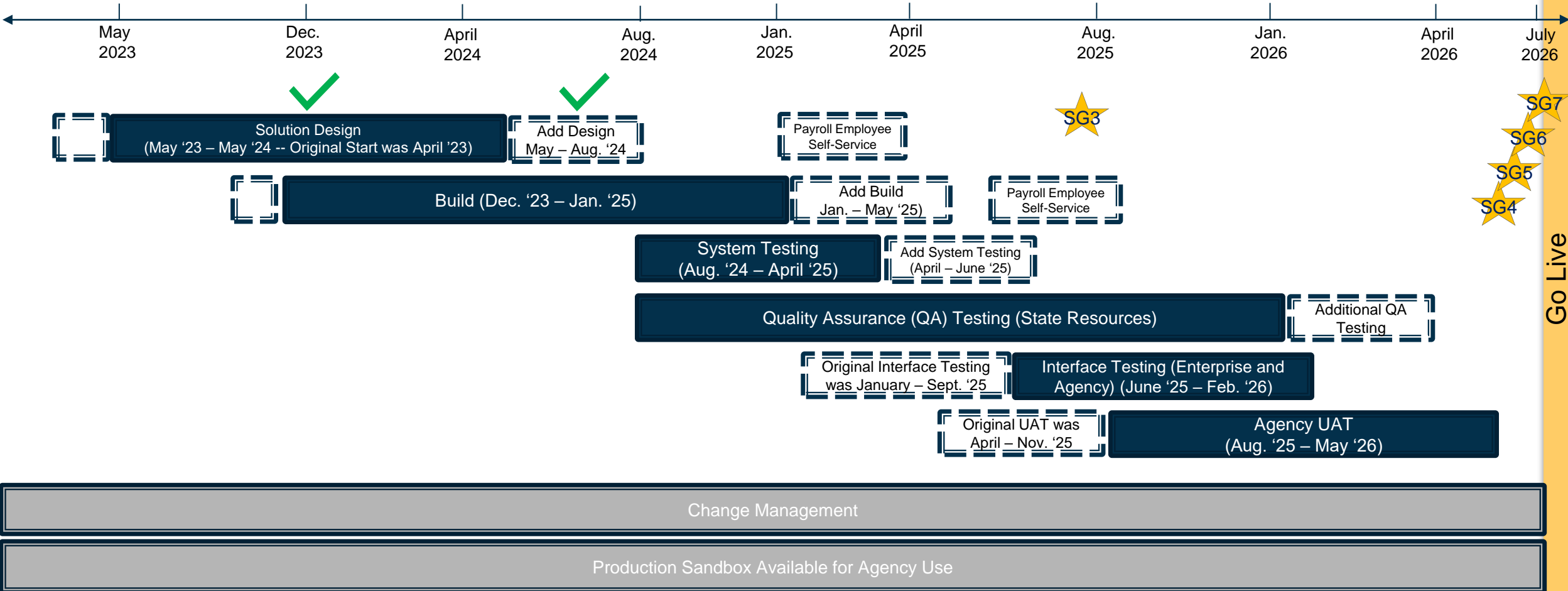
◦ Mid-year payroll conversion

Why Not October?

▸ Pros

◦ Provides three additional months for implementation and readiness activities

◦ Occurs after carry forward process has closed out

▸ Cons

◦ Requires a mid-year conversion for both Financials and Payroll

◦ Provides very little time for stabilization of Payroll prior to calendar year-end activities occurring

◦ Risk of not being able to meet tax requirements for calendar-year reporting

◦ Requires compilation of the ACFR on two sets of different chart of accounts

◦ Cost prohibitive

◦ Reduces Hypercare and post-implementation support periods from 12-months to 9-months (contract expires in July 2027)

Amendment 12
Updated Financials and Payroll Schedule

Timeline axis: May 2023 — Dec. 2023 — April 2024 — Aug. 2024 — Jan. 2025 — April 2025 — Aug. 2025 — Jan. 2026 — April 2026 — July 2026

Solution Design
(May '23 – May '24 -- Original Start was April '23)

Add Design
May – Aug. '24

Payroll Employee Self-Service

SG3

SG7
SG6
SG5
SG4

Build (Dec. '23 – Jan. '25)

Add Build
Jan. – May '25

Payroll Employee Self-Service

System Testing
(Aug. '24 – April '25)

Add System Testing
(April – June '25)

Quality Assurance (QA) Testing (State Resources)

Additional QA Testing

Original Interface Testing was January – Sept. '25

Interface Testing (Enterprise and Agency) (June '25 – Feb. '26)

Original UAT was April – Nov. '25

Agency UAT
(Aug. '25 – May '26)

Go Live

Change Management

Production Sandbox Available for Agency Use

Amendment 12
Attachment 1 - Statement of Work

- Updates and clarifies key dates (Table 1)

- Updates Stage Gates (Table 3)

- Extends Key Staff for 6-months (Table 4)

- Adds clarification on System Testing for individual build items

- Clarifies UAT and Parallel testing to match current planned approach

- Removes requirement for Contractor to be onsite during UAT

- Clarifies use of the Departments Information Technology Service Management (Tool), including responsibilities

- Clarifies Contractor responsibility to provide a Training Environment

- Updates Financials and Payroll Conversion requirements

- Clarifies Mock Conversion and Dry Runs

- Clarifies the Known Issues and Enhancements responsibilities

- Removes ACFR support requirement (first ACFR created using Florida PALM Data will occur after Contract Expiration)

Amendment 12
Attachment 2 – Payment Schedule

▸ Updates to the Payment Schedule to various Deliverables
- ◦ Updates to Payment months
- ◦ Updates to Deliverable Amounts for Mock Conversions, Dry Runs, Parallel Testing and System Testing
- ◦ Removes Deliverable 678 and associated amount
- ◦ Updates to Deliverable names to match changes in Attachment 1 Statement of Work and Attachment 8 Deliverable Acceptance Criteria
- ◦ Increases the cost of implementation services by $5 million

▸ Updates to the Payment Schedule for monthly production support deliverables
- ◦ Reduces Application Management (AM) and Infrastructure Management (IM) services based on the change in the implementation schedule
- ◦ Decreases production support costs by over $2.8 million

▸ Changes Total Cost by $2,177,600

Amendment 12
Attachments 5.2, 8 and 10

▸ Attachment 5.2 Customizations

  ◦ Updates customization C109 to support a mid calendar year conversion for payroll

▸ Attachment 8 Deliverable Acceptance Criteria

  ◦ Updates for changes identified in the Statement of Work

  ◦ Deletes the Deliverable for the Known Issues and Enhancement list as this report will now be generated from the State's ITSM Tool

▸ Attachment 10 Service Level Agreement

  ◦ Increases the service level credit for service level expectation #2 for written deliverables from a max of 5% to a max of 10%

Amendment 12
Additional Considerations

▶ More time does not mean more scope bandwidth; scope cannot increase
  ◦ Time is needed to ensure the State as a whole is successful in deploying the current Project scope

▶ Even with six more months, there is minimal slack
  ◦ Everyone (Project, Enterprise Partners, Agencies, Third Parties) must keep working aggressively to avoid further slippage

▶ Agencies and Enterprise Partners will need to review their budgetary needs for FY 25-26 and determine if their LBRs need to be updated

Voting Action

- ▸ Request for Public Comment
- ▸ Amendment 12

READINESS ACTIVITIES

NIKKI KLEIN

Readiness Activities
Bimonthly Agency Readiness Status Reports

▸ Dashboard Updates as of December

  o Refined the statistics section - removing current state items and adding new items related to configuration and conversion

  o Removed agency-specific readiness activities section

  o Required confirmation of Risks, Issues, and Assumptions for the reporting period

▸ Planned Future Updates

  o Add interface testing readiness status

  o Add Readiness Certification Criteria metrics

  o Evaluate effectiveness of the dials

  o Other ESC feedback / suggestions

Readiness Activities
## Bimonthly Agency Readiness Status Reports
General Observations

▸ Submission of Bimonthly (Task 569):

- o All agencies submitted

- o 3 agencies submitted after the due date (1 less from last bimonthly)

- o Zero Agency Sponsor roles vacant (no change from last bimonthly)

▸ Open Items:

- o 32 outstanding / late tasks (+8 from last bimonthly)

- o 24 agencies with outstanding / late tasks (-3 from last bimonthly)

  - o 7 <u>Direct Impact</u> Tasks – Concentration around Interface Confirmation, Configuration, and Data Cleansing

  - o Other tasks include Change Impacts and ABS Documentation and Remediation tasks by Segment

Readiness Activities
Outstanding Direct Impact RW Tasks
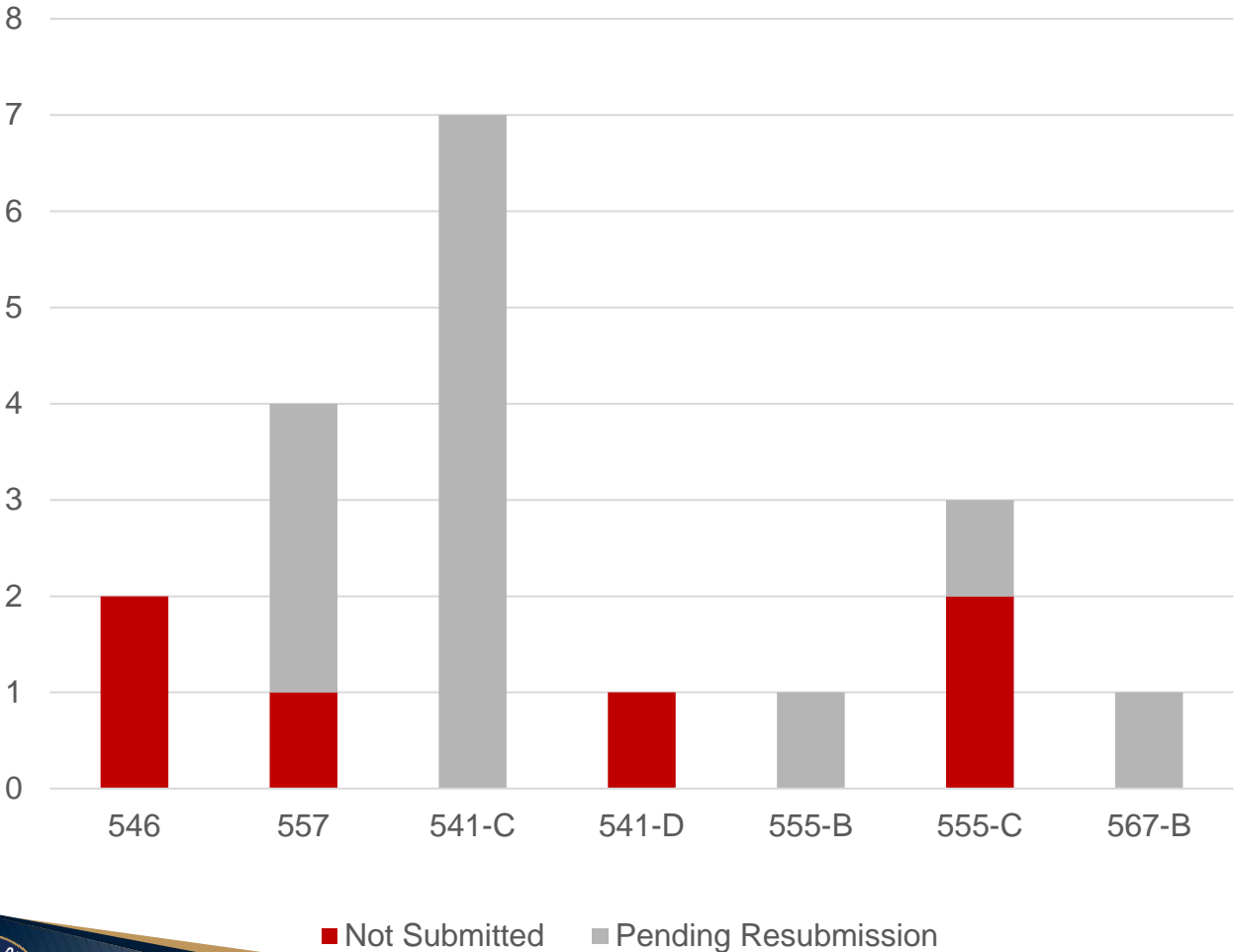
- 564 and 557 – Delay in agency confirmation of interfaces impacts Project planning for interface testing

- 541-C, 541-D, and 567-B – Delay in agency configuration data impacts Project's ability to validate and load agency data in test environment

- 555-B and 555-C – Delay in data cleansing impacts the effectiveness of Mock Conversion

As of 01/17/2025

Readiness Activities
Bimonthly Agency Readiness Status Reports
As of 01/17/2025

CCN Composition
Green - 24
Yellow - 11
Red - 0

Completeness
Green - 34
Yellow - 1
Red - 0

Timeliness
Green - 32
Yellow - 3
Red - 0

Participation
Green – 35
Yellow - 0
Red - 0

Observations:

- No agencies with a red indicator

- Increase in green for task completeness and timeliness

Agency	CCN Composition	RW Task Completeness	RW Task Timeliness	Project-led Meeting Participation
AHCA	Green	Green	Yellow	Green
APD	Green	Green	Green	Green
CITRUS	Yellow	Green	Green	Green
COM	Green	Green	Green	Green
DACS	Green	Green	Green	Green
DBPR	Green	Green	Green	Green
DCF	Green	Green	Yellow	Green
DEM	Green	Green	Green	Green
DEP	Green	Green	Green	Green
DFS	Green	Green	Green	Green
DJJ	Green	Green	Green	Green
DLA	Green	Green	Green	Green
DMA	Green	Green	Green	Green
DMS	Green	Green	Green	Green
DOAH	Yellow	Green	Green	Green
DOE	Green	Green	Green	Green
DOEA	Yellow	Green	Yellow	Green
DOH	Green	Green	Green	Green
DOL	Yellow	Green	Green	Green
DOR	Green	Green	Green	Green
DOS	Green	Green	Green	Green
DVA	Yellow	Green	Green	Green
EOG	Yellow	Green	Green	Green
FCOR	Green	Green	Green	Green
FDC	Green	Green	Green	Green
FDLE	Yellow	Green	Green	Green
FDOT	Green	Green	Yellow	Green
FGCC	Yellow	Green	Green	Green
FLHSMV	Green	Green	Green	Green
FSDB	Yellow	Green	Green	Green
FWC	Yellow	Green	Green	Green
JAC	Green	Green	Green	Green
LEG	Green	Yellow	Green	Green
PSC	Yellow	Green	Green	Green
SCS	Green	Green	Green	Green

Readiness Activities
Bimonthly Agency Readiness Status Reports

Summary of Agency Risks Reported		Risk Probability		
		Low = 1	Medium = 2	High = 3
Risk Impact Rating	Low = 1	*Score = 1* 12 (-4)	*Score = 2* 5 (+1)	*Score = 3* 2 (+1)
	Medium = 2	*Score = 2* 20 (-5)	*Score = 4* 64 (-21)	*Score = 6* 24 (-5)
	High = 3	*Score = 3* 31 (-3)	*Score = 6* 72 (+6)	*Score = 9* 56 (-9)

Risk Metric	Prior Report	Current Report
Agencies Reporting	34	32
Open Risks	325	286
Closed Risks	4	49
Risks Scored 6+	160	152

Issue Metric	Prior Report	Current Report
Agencies Reporting	24	23
Open Issues	106	64
Closed Issues	13	21
Issues Scored Critical or High	75	55

Assumptions Metric	Prior Report	Current Report
Agencies Reporting	28	27
Assumptions Logged	202	192

Note: Open items include those that remained open from the previous reporting period plus any new items. All Risks, Issues, and Assumptions must be confirmed for the reporting period to be included on the agency status report.

Readiness Activities
Bimonthly Agency Readiness Status Reports

Themes Across Risks, Issues, and Assumptions

▸ ***Staffing and Resource Availability*** – Internal and external, competing agency projects

▸ ***Timing and Finality of Information Sharing*** – UAT details, batch schedule, information on DW and reports, Cutover plans

▸ ***Data*** – effectiveness of Mock Conversion results and guidance, data availability for interface testing

▸ ***Timeline*** – Testing and remediation

▸ ***Enterprise Partners*** – Communication, testing plans and availability

Note: Some confirmed issues remain with past due resolution dates

NEXT MEETING

FEBRUARY 26, 2025

DFS, WORKERS' COMPENSATION

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